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CONFIRMATION OF MARIE ANNETTE COLLINS JOHNS TO BE THE DEPUTY ADMINISTRATOR OF THE SMALL BUSINESS ADMINISTRATION

HEARING

BEFORE THE

COMMITTEE ON SMALL BUSINESS AND ENTREPRENEURSHIP UNITED STATES SENATE

ONE HUNDRED ELEVENTH CONGRESS

SECOND SESSION

MAY 19, 2010

Printed for the Committee on Small Business and Entrepreneurship

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CONFIRMATION OF MARIE ANNETTE COLLINS JOHNS TO BE THE DEPUTY ADMINISTRATOR OF THE SMALL BUSINESS ADMINISTRATION

WEDNESDAY, MAY 19, 2010

UNITED STATES SENATE,
COMMITTEE ON SMALL BUSINESS
AND ENTREPRENEURSHIP,
Washington, DC.

The Committee met, pursuant to notice, at 10:13 a.m., in Room 428A, Russell Senate Office Building, Hon. Mary L. Landrieu (chair of the committee) presiding.

Present: Senators Landrieu, Cardin, Shaheen, and Snowe.

OPENING STATEMENT OF HON. MARY L. LANDRIEU, CHAIR, AND A U.S. SENATOR FROM LOUISIANA

Chair LANDRIEU. Good morning. Let me call the Small Business Committee to order for the purpose of a confirmation hearing for Marie Johns, Deputy Administrator of the Small Business Administration.

Let me apologize for being a few minutes late. Unfortunately, I had an Energy hearing earlier this morning and had committed to the Governor of Puerto Rico to stay for his testimony which just ended a few minutes ago, and to the Commissioner on an important issue regarding the status.

I would like to begin this morning by welcoming our very, very special guest. I am going to give a very brief opening statement, then turn this over to my Ranking Member, ask Senator Shaheen, and thank both of them for their patience if they have anything briefly to submit to the record.

Then, Mrs. Johns, we are interested in hearing from you, and we are very honored to have a member of the House with us, Representative Carson, who will do a more official introduction. Let me say that I am happy we can move this outstanding nominee along. I understand that you have family and friends here, and at the time that you are able to speak, please feel free to introduce them to us.

Our Committee received a statement of support from Senator Paul Strauss, the shadow Senator from the District of Columbia, who I understand is a friend, and I want to submit that for the record.

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I have also had a wonderful and delightful opportunity, Mrs. Johns, to meet with you to discuss your nomination as well as your enthusiasm and extensive background for this position.

The Deputy Administrator is a critical position at the SBA, and I am very encouraged that it will soon be filled. Usually, the Deputy is the Chief Operating Officer of the Agency, but I understand that Administrator Mills would like you to really be a second pair of hands, eyes and thought as we make more robust the Small Business Administration, and build stronger partnerships with banks and lenders and others, as we confront the challenge of this recovery.

It is clear from your background that you are extremely well positioned. You have developed extraordinary leadership skills through your career, and having retired recently from Verizon you have contributed in many ways to the community, serving in nonprofit organizations including the Washington D.C. Technology Council, and the Greater Washington Board of Trade. You have also been involved in one of my favorites, and I think I can speak for my Ranking Member and co-Senator, the Girl Scouts of America.

We are very pleased to have you before our Committee. I am going to let this Committee know as soon as this hearing is concluded I am going to do everything I can to expedite your process through the floor of the Senate.

Let me now turn this over to Administrator—I was promoting the Senator—Senator Snowe.

[Laughter.]

Senator SNOWE. See how quickly that all happened.

Chair LANDRIEU. You did not realize it, did you? The fastest nomination in the history of the Senate.

OPENING STATEMENT OF HON. OLYMPIA J. SNOWE, RANKING MEMBER, AND A U.S. SENATOR FROM MAINE

Senator SNOWE. We do things quickly here.

Thank you, Chair Landrieu and thank you all for being here today to consider Mrs. Marie Collins Johns, the President's nominee, to be Deputy Administrator of the Small Business Administration.

I want to welcome you to the Committee, Mrs. Johns, and welcome your wonderful family, who I know that you will be introducing shortly.

I would also like to acknowledge the presence of Congressman André Carson. Thank you for being here today and taking time out of your own busy schedule. I understand you represent Mrs. Johns' home-town of Indianapolis, and we appreciate your speaking and testifying on her behalf.

Mrs. Johns, it certainly appears as though you have filled this room with staunch support, and that is something we all can appreciate as United States Senators.

[Laughter.]

With your nomination last December, I was delighted to see another accomplished woman chosen to lead the SBA alongside Administrator Karen Mills. You may not be aware, but Chair Landrieu and I happen to constitute the first two women to lead

a U.S. Senate Committee in the history of the United States Senate. So we are making up for lost time today.

[Laughter and applause.]

I know that in assuming the role of Deputy Administrator you and Administrator Mills will be a dynamic team at the SBA in support of our nation's entrepreneurs.

The role of the Deputy Administrator at SBA is unique. Ultimately, it is to serve as the Acting Administrator in the event of an absence or vacancy in the Office of the Administrator. But as we have seen in the past, as the SBA's second in command, you can also make your own individual contributions in the policy areas that interest you.

And should you be confirmed, Mrs. Johns, and I have no doubt that you will, I challenge you, with your vast array of skills and expertise, to find new ways every day to empower small business because they are the true job generators and innovators of the American economy. Your professional experience and your commitment to excellence truly epitomize the American dream. Your story proves that hard work and commitment are the keys to professional achievement, and that is certainly true for our nation's small business owners as well.

This is a pivotal time for SBA. There is an urgent imperative for job creation in this country, because we are in the midst of what can only be described as a jobless economic recovery. Thus, it is the role and responsibility of the SBA to foster an entrepreneurial environment, to help unleash the untapped job creation capacity of our nation's more than 30 million small businesses who create two-thirds of all the net new jobs in America.

As Deputy Administrator, it is my hope that you will bolster the efforts of Administrator Mills, who is doing an outstanding job as she seeks to increase the SBA's maximum loan limits, and Chair Landrieu and I as we work to provide a small business tax relief package, expand the loan limits of SBA 7(a) and 504 loans from $2 million to $5 million, and allow for the refinancing of conventional small business loans through the SBA 504 program. These are core programs that we think are crucial to helping and encouraging job creation in this country on behalf of small businesses.

Administrator Mills is also working to double the number of exporting opportunities for small business by expanding export technical assistance and enhancing trade promotion.

Meanwhile, the Agency is moving towards enhancing their technology by preparing for implementation of the National Broadband Plan which, given your background, I am sure you can lend your expertise to.

Mrs. Johns, I believe that you will do an outstanding job, given your breadth and depth of experience and background, while lending your support and expertise to the many issues that will unfold. Today, the SBA is playing a pivotal role in the most recent disasters that have regrettably unfolded throughout this country, and most obviously the Gulf Coast disaster, and we trust that you will provide tremendous input and be instrumental in making sure these SBA programs work efficiently and effectively on behalf of those affected. Thank you.

Chair LANDRIEU. Thank you.

Senator Shaheen.

OPENING STATEMENT OF HON. JEANNE SHAHEEN, A U.S. SENATOR FROM NEW HAMPSHIRE

Senator SHAHEEN. Thank you, Chair Landrieu.

I do not really have a statement this morning, but I would echo your remarks and that of Senator Snowe in the importance of small business to the economic recovery in this country and the critical role that the Small Business Administration is playing in that. We still have so many small businesses in New Hampshire who are having difficulty getting affordable loans. SBA is clearly going to be critical in helping those small businesses move forward, and we want to see strong leadership at the head of the SBA.

I am delighted with your nomination, Mrs. Johns, and look forward to a swift confirmation.

Chair LANDRIEU. Thank you.

We have just been joined by Senator Cardin. Would you like to say something briefly or wait until the nominee presents her credentials?

Senator CARDIN. I will wait.

Chair LANDRIEU. Okay. Thank you, Senator.

Congressman, why don't you make the official introduction, and then we will take it from there.

STATEMENT OF HON. ANDRÉ CARSON, A U.S. REPRESENTATIVE FROM INDIANA

Mr. CARSON. Thank you, Madam Chairwoman. Thank you for the opportunity to be here today, to Ranking Member Snowe, Madam Shaheen and Mr. Cardin.

Thank you for giving me the opportunity to voice my strong support for the confirmation of Marie Johns. Mrs. Johns is an Indianapolis native that comes from a family of business owners, including her grandfather who owned a landscaping business in my district. I have enjoyed knowing Mrs. Johns and have been impressed by her dedication to public service and concern for working Americans.

Throughout her career, as an executive and a business owner, Mrs. Johns has been an unyielding advocate for the principles of competition, fairness and diversity. She has been a tireless proponent of business growth across the racial, ethnic and socioeconomic spectrum, and a tireless promoter of the idea that diversity and inclusion are the keys to our long-term stability and prosperity.

Few people can boast a resume as impressive as hers: President of Verizon Washington, Chair of the D.C. Chamber of Commerce, Founder of L&L Consulting and a Howard University Trustee, and the list goes on and on. It is without question that Mrs. Johns will bring the breadth of leadership experience to the SBA and a proven record of helping entrepreneurs across our great nation.

As we continue the difficult process of rebuilding our economy, the Federal Government will have many difficult decisions to make. But one thing is abundantly clear, that the SBA having her presence gives American small businesses a chance to have a greater impact on economic growth and job creation than almost any

other effort. Few people understand this better than Mrs. Johns who has been involved with everything from small business startups to large corporations, and she knows just what they need to grow and prosper.

As we all learn more and you learn more about her credentials over the course of this hearing, I believe wholeheartedly, Madam Chair, that you will find her to be qualified, competent and ready to begin leading the SBA on her very first day of service, towards the goal of growing American small businesses.

I want to thank the Committee for giving me the opportunity to offer my support for the confirmation of Madam Johns because even though her work has brought her to Washington, D.C., I will always be proud to count Madam Johns as an Indianapolis native and a great Hoosier and a constituent and a friend.

[Laughter.]

Thank you again, Madam Chair.

Chair LANDRIEU. Thank you very much.

At this time, if I could ask our nominee to stand, we require our nominees to testify under oath.

Do you solemnly swear to tell the truth, the whole truth and nothing but the truth, so help you, God?

Mrs. JOHNS. I do.

Chair LANDRIEU. Thank you very much. Please be seated, and we look forward to your testimony this morning.

TESTIMONY OF MARIE ANNETTE COLLINS JOHNS, NOMINEE FOR DEPUTY ADMINISTRATOR OF THE SMALL BUSINESS ADMINISTRATION

Mrs. JOHNS. Thank you, Chair Landrieu, Ranking Member Snowe, Senator Shaheen, Senator Cardin.

And thank you, Congressman Carson. It is so meaningful to me that you are here today, and I feel the presence of my dear friend and your grandmother, Julia Carson, former member of Congress.

It is hard for me to describe the honor that I feel by being nominated for this position by President Obama and the honor to be appearing before you this morning. The SBA's mission to help small businesses grow and create jobs has never been more important. I believe that my experience will help the SBA advance that mission in the months and years to come.

Like many Americans, small business is part of my family's history. As the Congressman mentioned, my grandfather owned a landscaping business in Indianapolis, Indiana for many years. And nearly 50 years ago, when my uncle returned to Indianapolis, with his newly minted degree in Pharmacy from Howard University, my grandfather built a community pharmacy, so that he could practice there and serve the African American community. Since then, the spirit of entrepreneurship has been at the core of my professional and personal life.

I would like to briefly touch on my qualifications for the position of Deputy Administrator, and then I would like to offer a few thoughts on the important work of the SBA.

During my career, I have been active in my local community, the Chamber of Commerce which happens to be the D.C. Chamber of Commerce. The majority of the chamber's members are, in fact,

small businesses. I have served as Chair of the Chamber, but my very first leadership role in the Chamber was as Chair of the Small Business Committee. In that role, I helped Main Street businesses get technical assistance and mentoring from larger firms in the area. I have always had the belief that small businesses benefit greatly from relationships with large businesses and large businesses have a responsibility to perform those services and to support small businesses in those ways.

I also helped create a visitors center to encourage tourists to venture off the Mall and the national monuments, and to explore Washington, D.C.'s many vibrant neighborhoods and the small businesses located there.

I have also helped small firms that are poised for growth. Specifically, I founded and chaired the Washington, D.C. Technology Council which has brought together entrepreneurs, thought leaders and cutting edge researchers, and together they form coalitions and partnerships that help the District diversify its local economy and create good jobs.

My career consists of over 20 years in telecommunications. I started as a first level manager and retired as President of Verizon Washington, which was a mid-sized unit of our corporation, of about 2,000 employees. Many of our customers, in fact most of our customers, in the business arena were small businesses. So we were intent on developing products and services to meet their needs.

In addition, I learned about the tools and regulatory conditions to help both my company and their businesses grow in tandem. I also was focused on having strong relationships with our vendors and subcontractors, some of whom were, in fact, SBA borrowers. And finally, I also ensured that we were involved in special projects such as training young people for jobs in the telecommunications industry.

On a personal level, I have a 30-year record of civic leadership. For 10 years, I served as a trustee for Howard University, which is home to one of the SBA Small Business Development Centers. I also served on the Board of the Howard University Hospital, and I have been Chair since its founding of the Howard University Middle School of Mathematics and Science. I have also served on the Board of the Girl Scouts of the U.S.A., and, as we all know, at cookie time there are no cuter or more effective entrepreneurs anywhere.

[Laughter.]

Recently, I have become familiar with the SBA's big mission during this critical time. In regards to capital, I believe the President's jobs proposal, such as extending recovery loan provisions and increasing loan limits—as, Chair Landrieu, you mentioned in your opening comments—are extremely important. I also support the Agency's recent self-stated goal to increase its network of active lenders.

In regards to contracting, the Agency took a strong step forward with a new proposed Women's Contracting Rule, and this is an important complement to the SBA's contracting efforts with disadvantaged businesses, veterans and others.

In regards to counseling and training, if confirmed, I would like to play an active role in reaching out to various groups that have been hard hit by the recession, including women and minority-owned businesses. Putting loans, contracts and other job creation tools in the hands of these fast growing segments of the economy must be a priority.

And, of course, my heart and prayers continue to be with those in our nation who are suffering from the effects of various disasters, and the Agency must continue to ensure that its disaster assistance program is working efficiently and effectively.

Truly, the SBA has a critical mission. I have seen Congress and this Committee working closely with Administrator Mills to reinvigorate the SBA and make a strong impact. I believe we can do even more by reaching out and creating robust two-way communication with even more entrepreneurs, small business owners and partners.

The SBA has a strong suite of services. We can build on what works, eliminate what does not and give taxpayers a strong return on their investment, and that is my pledge to you if confirmed. I know that small businesses will have more opportunities to create jobs and lead us into the full recovery that they have done time and time again throughout American history.

I know my time is drawing to a close, but I would like to just say a word if I may about some very special family members who are here. When I came into the room, before I took my seat, I have to say I had to control myself because I really see my life represented behind me.

[Laughter.]

I have my church family here, my Verizon family. It is very moving for me. So please forgive me. I thought I was not going to do this.

[Laughter.]

If time allowed, I would like to introduce every one of them to you because they are all special to me. But I know it does not, so please permit me a moment to acknowledge just a few of them.

I am very grateful that my mother, Frieda Casey-Collins, is here and was able to make the trip from Indianapolis, Indiana, to be with us today.

I thank our son, Richard, and daughter-in-law, Lynn, for being here.

And I am also delighted to acknowledge three little people who have enriched my life and who make me strive to be a better person every day—my grandson, Richard Franklin. Richard, raise your hand.

[Laughter.]

My granddaughter, Lauren Marie. Are you going to raise your hand?

[Laughter.]

Okay, she is the feisty one.

And my goddaughter, Olivia Jordan Albury, who I have not—oh, there she is. Raise your hand, Olivia.

[Laughter.]

Then finally, I would like to thank my husband, Wendell, for his presence today and his 39 years of love and support.

I thank you all, and I am now pleased to answer any questions you may have.

[The prepared statement of Mrs. Johns follows:]

Statement of Marie Collins Johns
Nominee for Deputy Administrator
U.S. Small Business Administration

Before the

Committee on Small Business & Entrepreneurship
United States Senate

May 19, 2010

Thank you, Chair Landrieu, Ranking Member Snowe and members of the Committee. And thank you Congressman Carson for that kind introduction and for your support. It is an honor to be nominated for this position by President Obama, and it is an honor to appear before you today.

The SBA's mission to help small businesses grow and create jobs has never been more important. I believe that my experience will help SBA advance that mission in the months and years to come.

Like many Americans, small business is part of my family history. My grandfather owned a landscaping business in Indianapolis. And nearly 50 years ago, my uncle returned home with a degree in Pharmacy from Howard University, and he couldn't find a job. So, my grandfather helped him build his own community pharmacy to serve the African-American community. Since then, the spirit of entrepreneurship has been at the core of my personal and professional life.

I'd like to briefly touch on my qualifications for the position of Deputy Administrator. Then, I'll offer a few thoughts on the important work of the SBA.

During my career, I have been active in my local Chamber of Commerce, which happens to be the D.C. Chamber. The majority of the Chamber's members are small businesses. I served as its overall Chair as well as a three-year term as Chair of its Small Business Committee. In that role, I helped "Main Street" businesses get technical assistance and mentoring from larger firms in the area. I also helped create a Visitors Center to encourage tourists to venture "off the Mall" and explore D.C.'s many vibrant neighborhoods and small businesses.

Importantly, I have also helped small firms that are poised for growth. Specifically, I founded and chaired the Washington D.C. Technology Council which has brought together entrepreneurs, thought leaders, and cutting-edge researchers. Together, they formed coalitions and partnerships that are helping the District diversify its local economy and create good jobs.

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My career itself consists of over 20 years in telecommunications. I started as a first-level manager and later retired as President of Verizon for this local area – a mid-sized unit of about 2,000 employees. Many of our customers were small businesses, so we developed products and services to meet their needs. In addition, I learned about the tools and regulatory conditions to help both my company and their businesses grow in tandem. We also had strong relationships with our suppliers, vendors, and subcontractors, some of whom were, in fact, SBA borrowers. And finally, we were also involved in special projects such as training young people in how to get jobs in the telecommunications industry.

On a personal level, I have a 30-year record of civic leadership. For 10 years, I served as a trustee for Howard University, which is home to one of SBA's Small Business Development Centers. I also served on the board of Howard University Hospital and as chair of the board of Howard University Middle School of Mathematics and Science. I have also served on the board of Girl Scouts USA, who – as we all know – are some of the most effective entrepreneurs in America.

Recently, I have become familiar with the SBA's big mission during this critical time.

In regards to capital, I believe the President's Jobs proposals – such as extending Recovery loan provisions and increasing the loan limits – are critically important. I also support the Agency's recent self-stated goal to increase its network of active lenders. It is important that SBA provide more "points of access to capital," especially for underserved populations which the Agency serves so well.

In regards to contracting, the Agency took a strong step forward with the new proposed women's contracting rule. I believe this is an important complement to SBA's contracting efforts with disadvantaged businesses, veterans and others. In addition, I know that Administrator Mills and her team are working hard to create cleaner and more transparent data while removing ineligible firms.

In regards to counseling and training – if confirmed – I would like to play an active role in reaching out to various groups that have been hard-hit by the recession, including women and minority-owned small business. Putting loans, contracts, and other job-creation tools in the hands of these fast-growing segments of the economy should be a priority.

And, of course, I believe the Agency should continue to ensure that its disaster assistance program is working efficiently and effectively to respond to regional and national disasters, such as the ones we've seen in the Gulf Coast and in Tennessee.

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Truly, the SBA has a critical mission. I have seen Congress and this Committee working closely with Administrator Mills to reinvigorate the SBA and make a strong impact. For example, Congress has provided for nearly $27 billion in lending support for small businesses through SBA Recovery loans. I believe we can do even more by reaching out and creating robust two-way communication with even more entrepreneurs, small business owners, and partners.

The SBA has a strong suite of services. We can build on what works, eliminate what doesn't, and give taxpayers a strong return on their investment. If we do that, I know small businesses will have more opportunities to create jobs and lead us into full recovery as they have done time-and-time again throughout American history.

Briefly, I want to thank a few family members for being here: my husband Wendell L. Johns, my mother Frieda Casey-Collins, my son and daughter-in-law Richard and Lynn Johns, my grandchildren Richard Franklin and Lauren Marie, and my goddaughter Olivia Jordan Albury and her parents Natalie Ludaway and Duane Albury.

Thank you all and I would be pleased to answer any questions you may have.

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Chair LANDRIEU. Thank you, Mrs. Johns. Thank you so much for that excellent presentation. It is an honor to be surrounded by so many friends and supporters. And our room is usually not this crowded.

[Laughter.]

So it is a great testament to your character and to the enthusiasm surrounding your nomination. I could not think of a person really more suited to be a partner with Karen Mills to lead this very important Agency and Department for our government at this time, and to breathe some enthusiasm and vigor and new life and new approaches, to strengthening small business and supporting the entrepreneurship in this country.

Let me ask just a few questions and then we are going to try to move through this pretty quickly.

One of the important priorities of this Committee is to make sure that the Small Business Administration is there when disaster strikes. As you know, we have had a very unfortunate set of disasters going back just as far as 9/11, moving forward through horrific hurricanes along the Gulf Coast, now this very difficult situation with an uncontrolled spill of oil in the Gulf. Tennessee experienced, according to the Senators and Members of the delegation, one of the most horrific disasters in the history of that State, with a large section of the City of Nashville, I understand, and Memphis suffering.

What are some of your thoughts and ideas about the importance of aiding small business either during and immediately after those kinds of situations? And what have you maybe shared with Administrator Mills about some other opportunities for improvement or making sure that the programs we have are really working for the small business owners that are out there and depending on us to act quickly at a time of stress as these things are?

Mrs. JOHNS. Chair Landrieu, that is a critical question, and I thank you. As I mentioned in my statement, my prayers continue to be with fellow Americans who are affected directly by these disasters, and the SBA does indeed have a very critical role to play in alleviating their suffering in a time of most need.

Quite frankly, the Agency's performance during Katrina was short of laudable. And the Administrator has, I think, done a phenomenal job. Administrator Mills, in recognizing that there were some systems that were broken and some processes that needed to be fixed, immediately put the resources on doing just that. Therefore, the response time that the Disaster Assistance Program is showing currently in terms of meeting small businesses' needs has been reduced by an order of magnitude. So there have already been significant improvements made.

And so what I intend to do is to work with Administrator Mills to make sure I am supporting the efforts that she already has underway, given my management background, to make sure that we have people who are trained, and systems that work, so that we can serve the needs of small businesses.

In addition, what I would like to do—I think we have some opportunity—is to work more closely with other areas of government, to work with the Department of Defense, with Homeland Security, EPA, across the board. There are many pockets of expertise in

terms of disaster response, and what I want to do is to learn where those are and to connect the SBA's resources to those other pockets of expertise. I believe that that will help us become even more effective in responding when our small businesses need us to do so.

Chair LANDRIEU. Well, thank you very much, and that is encouraging to hear because we do have quite a few challenges in many areas.

A second priority of this Committee is broadband access, high-speed access to entrepreneurs in this country that may be off of the riverfront, off of the four-lane highway or the interstate, struggling to stay afloat, to open up markets. We understand in this Committee that this could be a powerful tool for growth and wealth creation.

It is not the general oversight jurisdiction of the Small Business Committee in terms of licensing, but we have taken, and will continue to take, a very aggressive position in advocating for small businesses in America to be on that new highway of opportunity, which is high-speed, affordable internet service. We have had any number of examples of companies, from Maine to Louisiana to other parts of California, other parts of our nation, that have testified right where you are sitting today that their business has been transformed by opportunities to access.

Given your background, you seem to be a perfect fit in terms of understanding this. Could you comment on how you see the future of small business and the opportunities that exist for high-speed internet access, particularly in underserved urban areas and rural areas of this country?

Mrs. JOHNS. Yes, Chair Landrieu, I would be happy to. I am very excited about the opportunity to have a role in those areas, in that.

It sounds quaint now, but years ago when the internet was still new, and I was talking to businesses around this region about the power of broadband services and why small businesses ought to care, the thing that I thought was so fascinating about the power of the internet, the power of broadband services was that it really does level the playing field in a significant way—that on the internet, nobody knows how big you are. Depending on the power and the stickiness and the attractiveness of your web site, you can compete on any level.

As we look at how we bring small businesses the support that they need in order to grow and create jobs, that has to include a strong broadband strategy. I am pleased to see that Administrator Mills is already working closely with the Chair of the FCC to make sure that the needs of small businesses are being factored into the broadband policy issues that the FCC is grappling with right now.

I was recently able to attend a meeting, as a private citizen, of course, that the SBA convened to talk to companies who many of which are technology-based companies, to talk about how can the SBA support some of the new industries that are the engines for high job creation. The FCC Chair came and presented to the audience and talked about the broadband policy and the work that the FCC is doing now.

The bottom line is that the SBA has a significant role in making sure that the Agency represents the voice of small business within the FCC, to ensure that they are keeping their eye on the ball for

those companies, because the major issues are accessibility and affordability. So the broadband policy that the FCC ends up passing, or passing on and what becomes law, has to make sure that those two elements are present because that is what small businesses are going to need. In order for us to continue to support them, that is what they are going to have to have.

It also connects to the global strategy. The SBA's and the President's intent to increase the number of businesses, small businesses who are playing in the international space, they are going to need to have the technology to do that.

Chair LANDRIEU. Thank you for raising that. I am going to turn this over to Senator Snowe, but I am glad you raised the issue of export. Less than 1 percent of exports are done now by small businesses. There is a tremendous opportunity to expand that capacity, and so we have several bills pending that will enhance those opportunities for small businesses. Of course, the internet gives us the opportunity to actually accomplish what our vision is in that regard.

Senator Snowe.

Senator SNOWE. Thank you.

Mrs. Johns, I would like to expand upon something that we discussed when we met yesterday. I would be interested in you describing how you view your role as Deputy Administrator as well as your conversations with the Administrator in terms of what your priorities will be in carrying out your responsibilities because they can be varied, and obviously it is up to the Administrator. How do you view your role and what responsibilities you will assume?

Mrs. JOHNS. Thank you, Ranking Member Snowe. I have had, as I mentioned in our conversation, a number of conversations with Administrator Mills about the role, and quite frankly it is still evolving. However, I will be the Deputy, the number two, and in that capacity I will have a role to play across the Agency.

We have talked about some specific areas of concern where she would like for me to focus initially, and I am looking forward to doing that. One in particular is in our entrepreneurial development area. The SBA has a vast array of training programs, technical assistance opportunities. The Agency has done a good job with meeting the need for training that small businesses have, but there is more that can be done. So what I am looking forward to doing is to working with the individuals at the Agency who manage that part of the program and figuring out how we expand the access that small businesses have to the resources of the SBA.

In my mind, it is related to concerns that businesses have about capital. Certainly, we are experiencing a significant credit/capital crunch in the country right now, but there are small businesses who are seeking capital who need technical assistance to strengthen their performance and strengthen their position, to make them in better, put them in a better situation in order to successfully get the resources that their business need.

So those in my mind, those resources, those program areas of the Agency work hand in hand. So that is an area where I want to focus first.

Senator SNOWE. Do you expect to be traveling a great deal around the country, to meet with small businesses and banks and other entities that are important to small business?

Mrs. JOHNS. Absolutely. I know the job of the Deputy in times past has been more of an internally focused, operational position, but, as Administrator Mills and I have discussed, that is not the way the job will be structured in this Administration. I will have certain internal areas of responsibility and areas where I will want to focus internally, to make sure that we are managing our work well. But I also want to join her, and she has asked for my help to join her externally, to make sure that we are expanding our bandwidth, if you will, in terms of who we are able to cover and who we are able to talk about the SBA mission.

I also am looking forward to bringing the constituencies and the relationships that I have built over my many years in business to that process because there are others we can touch, and we are looking forward to doing just that.

Senator SNOWE. I think having an extension of the SBA performing outreach across the country would be critical because I know, from my own conversations and experiences in speaking with the small business community in my state and across the country, that they still need to have a connection to what is available to them with respect to SBA resources in these very challenging times. I had a number of small business forums in my state, for example, and there were many questions that were raised about what is available and, specifically, access to capital.

I know that you have addressed that in your testimony. How would you suggest we ensure that small businesses are connected to accessing available capital?

First, we have had a problem with lending institutions. That is why we are trying to increase the amount of money available, to provide for small business loans. So I think from that standpoint we have to make sure that happens. On the other hand, we also want to ensure that we are doing it in the right way. So how best do you think the SBA should ensure that capital is available?

Today's credit crunch constitutes the worst since 1942 according to a recent FDIC survey in terms of bank lending to small businesses by lending institutions. So you are right, Mrs. Johns, about increasing the number of lenders available to provide SBA loans, and secondly making sure they have sufficient capital. Their requirements have been tightened with the regulators, and so we have to create a balance by ensuring they have the available capital.

Mrs. JOHNS. One area where I want to focus, Senator Snowe, is on the smaller banks, mid-size and smaller banks. The Agency has done a very good job, and Administrator Mills has traveled the length and breadth of the country, talking to the large bankers and has been very successful in getting many of them back to SBA lending. So I applaud her for that.

I think we have an opportunity, though, to spread the word, to meet, to touch, to recruit the smaller banking community because many times those smaller community banks are more in touch, quite frankly, with the businesses, the smaller businesses in their area. They know the market very well, and I believe that we

should have some very good opportunities for talking to those banks and explaining to them how they can be a very good partner with the SBA.

I had the opportunity to serve on a bank board, a de novo bank in Maryland, HarVest Bank of Maryland, and HarVest Bank's theme is bringing banking back home to Maryland. The focus for HarVest Bank is to be very locally focused, to understand the business community, right in Rockville and Bethesda, Maryland.

Those are the bankers that I strongly believe that the Agency can go to, we can talk about the suite of products on the loan side that the SBA offers, and make a strong case that would be inviting for them to want to join the network of lenders. So that is where I think there is some significant opportunity that I would like to tap into.

Senator SNOWE. Thank you.

Chair LANDRIEU. Thank you.

I have one housekeeping question that I am required to ask by the rules of the Committee and then just one maybe brief comment. The children have been extremely patient, and the audience has been very quiet.

There will be times, if you are confirmed by the Senate, that you will be required, Mrs. Johns, to testify before this and maybe other committees of the Congress. Are you willing to appear and testify before any duly constituted committee of the Congress when requested to do so?

Mrs. JOHNS. Yes.

Chair LANDRIEU. Are you willing to provide such information as required by such committee?

Mrs. JOHNS. Yes.

Chair LANDRIEU. Thank you very much.

My final comment is another initiative that I have not completely formulated yet, but I know that my Ranking Member and members of this Committee will share my concern over some very riveting testimony before this Committee just in the last month. I want to share it with you, and we will be sending a more formal letter to the Administration.

We received testimony from one of the economists in our nation who studied current population reports and trends, and this information is lifted from the United States Census, but I think it is worth repeating, particularly to the group assembled here.

The median net worth—although let me begin by saying this country has made extraordinary progress in terms of equal opportunity across the board over the last 50 years in particular. We are proud of what we have done as a country to lift people up and to expand opportunities, both democratic and economic. These statistics give me great pause and concern, and I want to share them with you, and this is taken from the last Census.

The median net worth of non-Hispanic white households in the United States today, or a few years ago, was $87,000. African American households are $5,446. Asian Pacific is $59,292, and Hispanic families are $7,950.

I, for one, who does a lot of this work and have my whole life, I was absolutely startled by the discrepancy of this. This includes

home equity. If you take out home equity, for the African American community, the net worth of the median is less than $1,000.

So I am going to be sharing this data everywhere I go and to try to use it to prompt and prod us to do more. I think that work can start at the SBA. Obviously, there is great responsibility across the board, at every level of government.

I think you know, Mrs. Johns, you have been appointed for a reason, and perhaps you can provide some focus, some very specific focus with this Administration on alleviating this discrepancy.

I think there are strategies that most certainly can be employed, and our Committee is going to be looking and very open for suggestions because in this day and age, with the opportunities that are out there, and with all of the accomplishments that have been achieved, these numbers are very, very gripping. So we have a job to do.

Is there anything else?

Senator SNOWE. No

Chair LANDRIEU. Okay. This meeting is adjourned.

I am sorry. The meeting is adjourned. You can applaud.

[Applause.]

We will keep the record open for letters and endorsements. The record will remain open until May 21st.

The Committee will hold a markup on this nomination at the very first vote next week. We need a majority of members to be there. We are looking forward to getting this nominee through to the Senate by next week. Thank you.

[Whereupon, at 10:53 a.m., the Committee was adjourned.]

APPENDIX MATERIAL SUBMITTED

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Post-Hearing Questions for the Record
Submitted to Mrs. Marie Collins Johns
From Senator Olympia J. Snowe
Ranking Member

1. On April 27th our Committee held a hearing on the National Broadband Plan and small business' need for affordable high speed internet. In reviewing the plan, I was disappointed that the SBA is not playing a more prominent role in advancing these broadband initiatives. For example, Chapter 13 of the plan deals with economic opportunity, yet, from what I gather, the key recommendation for the SBA is that the Agency should engage its resource partners like Small Business Development Centers (SBDCs) and Women's Business Centers (WBCs) in training and technology outreach.

At our broadband hearing I urged the SBA to play a leading role in the implementation of the plan's recommendations, and fully utilize all the core programs to ensure small businesses have the training and capability to access affordable broadband. I have yet to see any formal plans from the SBA, but it is my hope that the SBA is prepared to play a key role from both a technical and financial standpoint in this major expansion of broadband.

Given your technology and telecommunications background, how would you implement the recommendations of the broadband plan at the SBA? Have you spoken to Administrator Mills about your role in this initiative?

Can you give your perspective on the National Broadband Plan? How do you envision the SBA's role in expanding broadband access to small businesses?

A nationwide broadband plan is an important part of the Administration's investment in the technology infrastructure critical to our nation's competitiveness and economic growth. And from my own experience in the field of telecommunications, I believe that this plan is also a critical part of helping small businesses grow and succeed.

The plan can benefit both types of businesses that Administrator Mills frequently talks about – "Main Street" small businesses as well as "high growth, high impact ones." Broadband access is critical now for all small businesses, not just high tech ones. Businesses of all types need fast Internet access to market their services, reach new customers, and manage their operations. Broadband access has moved from "nice to have", to "need to have" for every small business. In addition, high-growth small businesses can take advantage of this platform to build the next generation of applications and services to serve other small businesses. Faster, more ubiquitous broadband access strengthens this platform.

I know that the SBA is actively developing a strategy to serve small businesses in the rollout of the national plan. I share the agency's view that the recommendations from the National

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Broadband Plan are a starting point, not the final stop. The SBA's resource partners will be a critical part of that strategy. The SBA has already rolled out a public-private partnership with SCORE. In addition, the SBA is focused on two critical areas:

- "Train the trainers" programs that would leverage SBA resource partners and their national footprint to deliver training to small businesses about how to take advantage of broadband.
- The SBA is investing in technology to provide online tools for small businesses to use, including capabilities to navigate loan programs, contracting opportunities, exporting, and more.

If confirmed, I look forward to continuing the important work the SBA is doing by implementing the National Broadband Plan.

2. American small businesses are in the midst of an access to capital crisis. The Federal Deposit Insurance Corporation has reported that last year, banks slashed outstanding loan balances by the largest percentage since 1942. In addition, the Federal Reserve Senior Loan Officer Opinion Survey shows that over the past quarter, *only 1.2 percent* of all banks loosened their lending standards for small businesses. Finally, the Congressional Oversight Panel has just issued a report that the biggest Wall Street banks cut their small business lending portfolios by 9 percent between 2008 and 2009, more than double the rate at which they cut their overall lending.

At this moment, it is absolutely essential that the SBA's access to capital programs reach as many banks as possible. You acknowledged that point when you supported the Agency's goal to increase its network of active lenders. That said, the SBA plays a role both to encourage banks to participate in the SBA's lending programs, and also as a regulator to ensure that banks do not take advantage of the SBA's now 90 percent guarantee to issue sub-standard loans.

If you are confirmed, how do you see the SBA navigating this ground and not being either a cheerleader for access to capital programs or clamping down on banks to such a degree that they exit the program? Are there any specific steps you think the SBA should take to strike this balance?

I deeply appreciate the importance of the SBA's mission in both expanding access to capital for small businesses, while also managing risk to taxpayers.

If confirmed, I look forward to working with the SBA's management team, as well as with its lending partners, to identify strategies to grow the SBA's network of banks, credit unions, and community lenders who serve as the points of access to our small business financing programs. With the SBA's programs enhanced and supported by the Recovery Act, as well as with the President's Jobs Bill proposals, I hope to support the SBA's efforts to appropriately fill the credit gaps facing small businesses across the country.

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At the same time, I recognize the SBA's commitment to ensuring that its programs proactively assess and manage risk, and combat cases of waste, fraud, and abuse. I look forward to working with the SBA's risk management team to understand our lender review and oversight processes and help ensure proper eligibility and compliance with our loan program requirements.

3. In the past, the Deputy Administrator has served as the liaison with the Inspector General of the SBA to address waste, fraud, and abuse in Administration proposals for new policies, regulations, and procedures, and in ensuring efficient and effective program operation and controls.

During the first seven months of Fiscal Year 2010, the SBA Office of the Inspector General performed 24 reports of audits containing 97 recommendations to the SBA to promote efficiency and reduce waste.

In your experience have you ever worked with an Inspector General, and if so, can you give us an example of how you addressed the concerns of such an official, in order to protect shareholders – or taxpayer – investments while still ensuring maximum return on investment and/or effectiveness?

Should you be confirmed, what relationship do you envision with Inspector General Gustafson?

Throughout my career I have had to respond to varied data requests from regulatory officials, at the local and federal level. Issues raised in those instances related to a wide variety of topics, including efficient use of resources, process improvements, service costs, etc. If confirmed, I would bring that experience to the role of Deputy Administrator. I understand that the Inspector General plays an important role in ensuring effective and efficient operations at the SBA. I respect that role and I have met with Inspector General Gustafson and pledged my cooperation in working with her office to create an atmosphere of "zero tolerance" for fraud, waste and abuse within the Agency.

4. The Administration's FY 2011 budget provided flat funding for the SBA's key entrepreneurial development programs, including Women's Business Centers, Veterans Business Centers, SCORE, and Small Business Development Centers. As referenced in your testimony, there is a Small Business Development Center at Howard University – an institution for whom you serve as a trustee – so I trust you have seen, up-close, what a tremendous resource these programs are for entrepreneurs. Throughout the recession, these centers, some of whom advocate for specifically vulnerable groups, have served their local entrepreneurs from the front lines by offering support, mentoring, and training.

You once remarked that you ran for political office to make government work for more people, and to fill in what you called the "opportunity gap." And I ask you today, how can the SBA do the same for small business? What resources, if not financial, can the Agency

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lend these valuable programs and the specific populations they serve to support our nation's entrepreneurs in their own backyards?

As I have begun looking at the valuable network managed by the SBA's resource partners – SBDCs, WBCs, SCORE volunteers, Veterans Business Centers, and now the Emerging Leaders Initiative – it is clear that those providing counseling and training to small businesses are an integral part of communities throughout the country. In the absence of additional funding through the SBA grant-making process, there are steps that are already underway to continue delivering assistance to entrepreneurs with the highest level of professionalism and responsiveness.

I know that strengthening relationships and collaborating on programs with the SBA's District Offices have been a priority for more than a year. The staff overseeing the SBA's Office of Entrepreneurial Development continue seeking, developing, and completing more public-private partnerships to bring additional resources and expertise to the SBA's Resource Partners. Throughout the SBA, the SBA's leadership is working with many intergovernmental task forces and projects that will positively impact the SBA's Resource Partners so they will be able to effectively continue reaching all entrepreneurs and diminish the "opportunity gap." For example, these Resource Partners are fully engaged and participating in the National Broadband Initiative with the FCC. In addition, these Resource Partners are engaged in the SBA's support for regional innovation clusters, which are aimed at maximizing the economic potential of local workforce and like-industry clusters. The SBA is already partnering on cluster projects with robotics and renewable energy industries.

5. In November 2009, our nation's advanced technology deficit hit a monthly record high of $8.3 billion—meaning we imported $8 billion more high-tech products than we exported. For 2009, our total advanced technology deficit was $56 billion. What is even more disconcerting is that the U.S. has run a trade deficit in advanced technology products in every month since June 2002. In addition, there has been growing concern about the lack of domestic research & development (R&D) investment in the telecommunications industry outside of academia.

It goes without saying that these deficiencies have serious ramifications with our competitiveness in the global economy and with our leadership in technological innovation. I know that the National Broadband Plan touches on R&D, but I believe we can and must do more. Small businesses have increasingly been recognized as a source of innovation, but funding for these ventures is, in large, difficult to find.

The SBA just announced that it is accepting grant funding requests from states to support programs for innovative, technology-driven small businesses under the Agency's Federal and State Technology or FAST partnership program. FAST provides approximately $2

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million in funding for outreach and technical assistance to science and technology-driven small businesses.

So it seems as though we have two areas of deficiency – R&D investment and high-tech manufacturing. What recommendations do you have that will directly address this extensive advanced technology deficit our nation has? Specifically, what can be done with respect to small businesses, which are traditionally the incubators of innovation?

I know that the Obama Administration recognizes the importance of innovation to the economy, and has provided a broad strategy to strengthen our nation's innovation network.

In particular, as part of that strategy, President Obama recognizes the fundamental role of government in fostering groundbreaking scientific and technological breakthroughs, and has committed resources and energy to ensure America leads the world in the innovations of the future. Some of the key components of this strategy are the following:

- **Enact the Largest R&D increase in our nation's history.** With $18.3 billion in research funding, the Recovery Act is part of the largest annual increase in research and development in America's history.

- **Double the R&D budget of key science agencies.** The President's Budget proposed to double the research budgets of three key science agencies: the National Science Foundation, the Department of Energy's Office of Science, and the National Institutes of Standards and Technology. These investments will expand the frontiers of human knowledge and create the foundation for the industries and jobs of the future, such as the convergence of bio, info, and nanotechnologies. The Obama Administration will increase the impact of this investment by providing more support for high-risk, high-return research, for multidisciplinary research, and for scientists and engineers at the beginning of their careers.

- **Invest three percent of GDP in R&D.** The President has proposed a goal to invest more than three percent of our GDP in public and private research and development. This will exceed the level achieved at the height of the space race.

- **Make the R&E tax credit permanent.** The President's Budget includes the full $75 billion cost of making the research and experimentation tax credit permanent. This will provide businesses with the greater confidence they need to invest, innovate, and grow.

Based on my conversations with SBA staff, I know that the SBA is playing a critical part of this strategy. The SBA is both strengthening existing programs, as well as evaluating new ones, to help make sure innovative companies from all parts of the country get help they need, whether it is access to capital, contracting, or counseling.

The SBA is particularly focused on the SBIR program. The SBIR program is one of the nation's premier innovation programs. Outside parties like the National Academies of

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Science have lauded the program, calling it "sound in concept and effective in practice." The SBA is focused on making a good program great. In addition to implementing the FAST program, the SBA is investing in technology to improve performance tracking and measurement of the program, expanding outreach to attract more high quality entrepreneurs, and working actively with other Federal agencies to identify and share best practices from individual agencies' management of the program.

6. On April 26th, President Obama issued a Presidential Memorandum establishing an interagency task force on Federal contracting opportunities for small businesses. Given our current economic climate, we must do everything possible to ensure small businesses have the tools to broaden their customer base and create jobs. It is all-the-more paramount that small businesses have the opportunity to contract with Federal Agencies, because the Federal government is the *largest buyer of goods and services in the world, spending over $500 billion in Fiscal Year 2009 alone.* I remain dismayed by the myriad ways the Federal government has time and again egregiously failed to meet its statutory, government-wide small business "goaling" requirements that 23 percent of all Federal procurement dollars must be allocated to small contracting firms.

This *blatant and abject* failure is not without consequence, as job creation potential for small businesses has been drastically inhibited as they are prevented from securing their fair share of billions of Federal contracting dollars. It is my hope that this interagency task force will make recommendations to end this trend. I believe the SBA must play a leading role on the task force and collaborate with all Federal Agencies to improve small business contracting programs, increase small business participation, and expand outreach.

If confirmed, how will you play a role on the Small Business Task Force and how do you believe it should be structured to get the maximum amount of input from small businesses?

How do you plan to address the government's inability to meet its small business contracting goals?

Based on my conversations with SBA staff, I know that the SBA is committed to ensuring that the Federal government meets its 23 percent prime contracting goal as well as its socio-economic and service-disabled veteran-owned small business subgoals. The SBA will play a significant role in the President's Small Business Contracting Task Force, and I look forward to joining in these efforts should I be confirmed. As a co-leader along with OMB and Commerce, the SBA will focus on developing recommendations in a variety of areas, which include, but are not limited to: reducing barriers to the Federal marketplace; expanding subcontracting opportunities; deploying technology more effectively; improving data integrity; better utilizing tools that support small business contracting (e.g., mentor-protégé, teaming); and identifying mechanisms to hold agencies accountable for their performance. Additionally, the SBA will share best-practices and identify the best approaches to improve outreach and training to small businesses.

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Finally, the SBA will work with other Federal agencies to develop a transparent, online procurement dashboard that tracks agencies' performance against their goals.

More broadly, in addition to taking steps through this task force, I understand that the SBA's Office of Government Contracting will:

- Support its network of Procurement Center Representatives (PCRs): For example, in April, the Office of Government Contracting held a training conference for its area office staff to disseminate best-practices and develop critical skills;
- Improve training, outreach and match-making opportunities for small businesses;
- Improve training to contracting officers and procurement professionals;
- Hold agencies accountable for their performance through a revised, holistic Scorecard;
- Finalize its revision of 8(a) regulations;
- Finalize its Women-Owned Small Business Procurement rule; and
- Improve data integrity and ensure that program benefits go to their intended recipients through improved up-front certification, ongoing monitoring, and holding bad actors accountable.

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Statement of

Paul Strass

United States Senator,

District of Columbia

Before the

Committee on Small Business and Entreprenuership,

United States Senate

On the Nomination of

Marie Annette Collins Johns,

To be Deputy Administrator

Of the Small Business Administration

Wednesday, 19 May 2010

Russell Senate Office Building

Room 428A

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Chairwoman Landrieu and Members of the Senate Committee on Small Business and Entrepreneurship, I am Paul Strauss, the United States Senator elected by the voters of the District of Columbia, a position sometimes referred to as the Shadow Senator. In that capacity, I appreciate the opportunity to provide this statement on behalf of my constituents in the District of Columbia. I wish to express my enthusiasic support of President Barack Obama's Nomination of Marie Annette Collins Johns, to become Deputy Administrator of the Small Business Administration. I am personally familar with the record of this individual and have the honor of knowing Mrs. Johns personally. As a result, it is my opinion that this candidate would be an excellent Deputy Administrator of the Small Business Administration.

Mrs. Johns earned her Bachelor of Science and Master of Public Administration degrees from Indiana University. Thereafter she completed graduate management studies at Harvard University's John F. Kennedy School of Government and the Darden and attended the Graduate School of Business Administration at the University of Virginia. In 2004, after 21 years of service in the telecommunications industry, Mrs. Johns retired from her position as president and CEO of Verizon's nearly $700 million operation. As a consumer advocate I had the great pleasure of working with Mrs. Johns during her tenure at Verizon. During the time we spent working together, she demonstrated a strong work ethic and promoted fairness, equity and honesty for consumers. Under Mrs. Johns' leadership, Verizon obtained a $10 million grant for D.C. public schools to implement a school-to-careers reform initiative. Likewise, she spearheaded a Verizon-sponsored program called SEEDS (Students Educated for Economic Development Success) that trains out-of-school youth for information-technology jobs.

Mrs. Johns' leadership, determination and in-depth knowledge of the Washington marketplace have been invaluable. She has provided leadership in a wide range of professional,

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civic and cultural organizations and initiatives. She served as director of a nonprofit organization that provided funding for every D.C. public school and library to install cabling for high-speed Internet connections and local computer networks. Mrs. Johns was also one of the forces behind the formation of the Washington D.C. Technology Council, where she served as founding chairperson. She was a mayoral appointee to the National Capital Revitalization Corporation, a public/private enterprise that facilitates revitalization in underserved D.C. neighborhoods. Mrs. Johns has also served as chair of the D.C. Chamber of Commerce, participated in Leadership Washington and YMCA of the National Capital Region, as well served as Chair of the Council for Court Excellence. In addition to these numerous prestigious positions, Mrs. Johns is a trustee of Howard University and a member of the board of directors of the D.C. Chamber of Commerce, the Federal City Council and the Economic Club of Washington. In 2006, she ran in the Democratic primary for D.C. Mayor. She has worked hard to foster and grow small businesses, and has played a key role in the growth and development of technology companies in the D.C. area.

Mrs. Johns is a longtime economic development and education advocate in D.C., and has received over 100 awards during her long-standing career in recognition of her achievements. She was federal appointee to the U.S. Department of Energy's Electricity Advisory Board, as well as a member of the board of advisors of Adonix Inc. and the International Women's Forum. Mrs. Johns was also a Managing Member of L&L Consulting, LLC, a full service organizational effectiveness and public policy consulting practice. Mrs. Johns' leadership experience, managerial acumen and record of community service make her a strong candidate.

Experience of the substance and quality like that of Mrs. Johns pertaining to business is valuable and exceptional. This will help to reflect well on the special challenges facing the

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business world in today's complex and frequently stressful times. Mrs. Johns is well represented in the business community, as shown by her abundance of positions in the local as well as national level. The involvement of Mrs. Johns in these valuable public and private institutions has demonstrated her ability to aid and protect the interests of small business concerns that are critical to our nation's economic recovery and strength. Mrs. Johns outstanding work in the business field, her high standards of conduct and her professionalism display the devotion and ambition demanded of a Deputy Administrator.

I am confident that Marie Annette Collins Johns will uphold the high caliber of the Small Business Administration, and because of this, I look forward to her prompt investiture as Deputy Administrator. There is no doubt that if anyone is deserving of the prestige that comes from a Presidential appointment, it is this nominee. Were I seated with the full rights and privileges of a voting United States Senator, I would vote to confirm this nomination without hesitation. However, since I am unable to do so, I ask that you extend to me a degree of Senatorial courtesy and cast your vote in support of Mrs. Johns, for the residents of the District of Columbia who do not have any representative in this body who may cast a vote on their behalf. In closing, let me thank Ms. Bari R. Solomon, a member of my legislative staff for her assistance in the preparation of this statement.

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8990 Burke Lake Road, 2nd Floor, Burke, VA 22015 ■ Tel: 703-764-9850 ■ Fax: 703-764-1234 ■ E-mail: info@asbdc-us.org

May 17, 2010

Honorable Mary Landrieu
Chairwoman
Committee on Small Business
and Entrepreneurship
United States Senate
Washington, DC 20515

Honorable Olympia Snowe
Ranking Republican
Committee on Small Business
and Entrepreneurship
United States Senate
Washington, DC 20515

Dear Chairwoman Landrieu and Senator Snowe,

On behalf of the Association of Small Business Development Centers I would like to express our support for the nomination of Ms. Marie Johns to position of Deputy Administrator of the US Small Business Administration. Ms. Johns has a long and accomplished professional career in telecommunications culminating in her leadership of Verizon, a history of great accomplishment and talent.

However, it is her dedication to the broadening of economic opportunity and to community development that the ASBDC believes commends her most strongly. Ms. Johns is a tireless advocate for educational and economic empowerment. Her longstanding relationship as a Trustee of our District of Columbia host, Howard University, is just one example of her leadership in the development of community which is at the heart of the small business spirit. Ms. Johns' work in establishing the D.C. Public Schools "school to careers" initiative and her efforts to help develop *DC Reads*, to help support programs that offer leadership, training, and development for the Capital's youth speak volumes to her understanding of the building blocks of community development.

Lastly, the ASBDC wishes to recognize Ms. Johns' efforts to establish SEEDS. The SEEDS program, supported by Verizon, helps train young people for work in the information technology industry. It is efforts like that which show that Ms. Johns understands the role of education in community development, the need for training and knowledge, and the tools that small business needs. We look forward to working with Ms. Johns in her new role.

Sincerely,

C.E. "Tee" Rowe
President/CEO
ASBDC

The Association of Small Business Development Centers (ASBDC) represents a network of nearly 1,000 centers that provide free management and technical assistance counseling to small businesses. Call us at 703-764-9850 or visit us at www.asbdc-us.org

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